



Issues Update February 2012

Volume 17 No. 7
For the December 2011 Production Month

Producer Component Prices and Standard Blend Price

The producer component prices for the month of January are as follows:

BF= \$10.5599, PR= \$8.8437, OS= \$1.9432 or an equivalent return of \$77.6510 per standard hectolitre. This return compares to \$77.2262 in December 2011, with a difference of \$0.4248/std.hL. The P10/WMP equalization transfer for January was \$537,425.70. Please refer to the BCMMB Statistics for the month of January 2012 for more details.

Notice to Producers-Incentive Days

The Board has reviewed the BC production and Canadian Requirements forecasts for the next six month period. The current projections show that we are expecting above average production with limited growth in the market. In order to manage market supply and demand for the province, the **Board will not issue incentive days from April – July 2012**. The Board will continue to review the requirements of the province and will provide timely information if any changes are required. If you have any questions of concerns, please contact Rob Delage at rdelage@milk-bc.com

Notice to Producers-Organic Surplus Sleeve

The Board has issued a 5% surplus sleeve to all organic producers **effective February 1- April 30, 2012**. The surplus sleeve was recommended to the Board by the Specialty Advisory Council (SPAC) on January 31, 2012. This sleeve is additional organic production that has not been committed by any processors but will be produced in order to encourage market growth within the industry. The Board will continue to review organic market requirements and will provide direction to the industry as required. If you have any questions, please contact Zahra Abdalla –Shamji at zabdalla@milk-bc.com

CQM Bonus Payment

Last year beginning in February 1, 2011 we started paying all funds collected from processors for the Quality Bonus program each month to the qualifying producers for the same month. We also decided to payout the surplus Quality Bonus funds that had been collected and not remitted to producers who were not in the CQM program over a one year period starting February 1, 2011. As of January 31, 2012 we have paid out all of the surplus funds and now the Quality Bonus payment each month will only include the funds collected for that month. Should you have any questions regarding this change, please contact Robert Delage at 604.854.4475 rdelage@milk-bc.com

Information Regarding On-Farm Inhibitor Tests

In 2010 there were 12 inhibitor infractions, in 2011 there were 16. As some areas of the province are limited as to where producers can get their milk tested if needed; the BCMMB would like to provide producers with information regarding inhibitor tests that are available for on-farm use.

Charm Sciences, www.charm.com click on “Dairy”, has rapid tests available that can be used on co-mingled milk: Charm SL Beta-Lactam Test for Milk, Charm3SL3 Beta-lactam Test for Raw Comingled Milk, Charm MRL Beta-Lactam test. Individual cow tests: Charm SL Beta Lactam Farm Test.

These tests take 3 or 8 minutes.

CowSide II & Charm Blue Yellow II are broad spectrum (detects many drug families) Inhibition tests that work best on comingled milk.

These tests take 3 hours.

When placing an order with Charm Sciences, inform them that you are a BC Dairy producer, to get BCMMB pricing. Orders can be paid for by credit card and they will ship directly to your farm.

Idexx Laboratories, www.idexx.com click on “Dairy Testing”, is the supplier of the Snap Test. The Snap test for Beta-Lactams does not detect Cloxacillin. There are also Snap tests that detect Tetracycline and Sulfamethazine.

The Snap test takes 9 minutes.

There are other tests available, for example the Delvotest.

As the processors in BC use the Charm or Snap tests we are not including information on those tests here.

Confirmation tests are performed using the Charm II equipment.

If you have any questions or concerns please contact Kelly Harris at 604.854.4479 kharris@milk-bc.com

Provincial Freight

The producer freight rate calculations for the months of December and January are summarized below:

Freight Rates (\$/hl)	December	January
Zone Transportation Costs	3.16	3.16
Less: Vendor Billings	(0.12)	(0.07)
Less: I/P Freight Cost Recovery	(0.06)	(0.13)
Gross Provincial Freight Rate	2.98	2.96
Add: Train/Volume Discounts	0.29	0.30
Less: Stop/Extra Pick-Up Charges	(0.15)	(0.13)
Transportation Department Costs	0.01	0.01
Adjustments from Prior Period	(0.00)	(0.02)
Net Provincial Freight Rate	3.13	3.12

Continuous Quota

Cumulative Over/Under Production (with limits) as of:

December 31st, 2011

Province	Kg of BF	%*
NL	-102,243	-5.09%
PE	-56,223	-1.40%
NS	-112,585	-1.65%
NB	-68,556	-1.29%
QC	-1,859,188	-1.58%
ON	-1,320,941	-1.31%
MB	-193,054	-1.54%
SK	-138,320	-1.54%
AB	-393,039	-1.53%
BC	-372,601	-1.44%

**Cumulative Over/Under Production (with limits) expressed as a % of the most recent 12 months total quota.*

For General Inquiries

For General Inquires and assistance please contact reception at

T. 604.556.3444 Ext. 200

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Spring Producer Meeting Dates

BCMMB Spring 2012 Producer Meetings			
Date	Region	Location	Time
March 20	Okanagan	Prestige Inn Salmon	10:00 am
March 22	Bulkley Valley	Hudson Bay Lodge Smithers	11:30 am
March 22	Cariboo & Peace River	Treasure Cove Hotel Prince George	7:00 pm
March 22	Kootenays	Columbia Brewery Creston	11:30 am
March 26	Fraser Valley	Ramada Inn Abbotsford	7:30 pm
March 28	Vancouver Island	Coast Bastion Hotel Nanaimo	7:30 pm
March 29	Fraser Valley	Rainbow Country Inn Chilliwack	7:30 pm

All producers are invited to attend the regional meetings.

Milk Quality Report

The provincial averages and quality bonus data based on the official milk quality tests for December and January are:

Milk Quality Data	December	January
Individual Bacteria Count	20,346	18,761
Somatic Cell Count	161,629	179,670
Quality Bonus Qualifiers (%)	58.40%	55.26%

Producer Payments

Participants in the January, February and March Pools will receive their payments as follows:

Month of Production:	Advance Payment	Final Payment
January	February 1	February 17
February	March 1	March 19
March	April 2	April 20

Credit Transfer Average Prices

	2 nd Set-Effective Jan 1 st Conventional/Organic	1 st Set-Effective Feb 1 st Conventional/Organic
Average Price	\$6.34/\$3.10	\$6.39/\$0.00

A Summary of Credit Transfer Statistics can be found at www.milk-bc.com with other credit transfer documents.

Quota Management-Important Dates

Application Deadlines	Date & Time	Effective Date(s)
Quota Exchange	Mar 1@ 4:30pm	Apr 1 st
CDQ Buy/Sell of Credits	Feb 24 @ 4:30pm	Feb 1 st Mar 1 st
If you have any questions please contact Kathy Wallis 604.854.4471 kwallis@milk-bc.com		

Quota Management

Please keep in mind the following **BANK LETTER REQUIREMENT details**, as many applications continue to be received by the BCMMB office without a current financial commitment letter and risk being disqualified from participation on the Quota Exchange:

- A current bank letter covering the **full settlement amount** of your bid must be on file or received by the BCMMB office **NO LATER** than the Quota Exchange deadline
- Bank letters are reduced by all previous quota exchange purchases covered by that letter, regardless of the method of payment used for payment of the balance due
- The bank letter must not expire prior to the settlement date for balances due for current quota exchange purchases

If you are unsure of the status of your bank letter, please contact our office and we will be happy to check your file for you.

www.milk-bc.com